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THE TORONTO STOCK EXCHANGE

FILING STATEMENT NO. 1525.
FILED, FEBRUARY 23rd. 1967.

D'ELDONA GOLD MINES LIMITED

Full corporate name of Company
Incorporated under Part XI of the Ontario Corporations Act
by Letters Patent dated January 19, 1944.

Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953
(Ontario) by Letters Patent dated May 1st, 1957).

Reference is made to previous
Filing Statement No. 1345.

FILING STATEMENT

(To be filed with respect to any material change in a company's affairs, including among other things,
an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	Underwriting and optioning of treasury shares as set out in item 6. Joint operating agreement completed with Falconbridge Nickel Mines Limited as set out in item 19.
Head office address and any other office address.	Suite 714, 62 Richmond Street W., TORONTO, Ontario.
Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	<p>President & Director - E.F. Furniss, 39 Marydon Cres. Agincourt. - Accountant-</p> <p>Vice Pres. & Director - R. Brown, 6 Zaharias Ct. Willowdale - Corporate Secretary-</p> <p>Sect. Treas. & Director - V.H. Hedges, 111 Oriole Parkway Toronto - Security Company Executive -</p> <p>Director - Murray Cooper, 2500 Bathurst St. Toronto - Mining Executive -</p> <p>Director - Bruce A. Blackburn, 23 Latham Ave. Scarborough - Insurance Executive -</p>
Share capitalization showing authorized and issued and outstanding capital.	<p>Authorized Capital - 6,000,000 common shares</p> <p>Issued Capital - 5,255,666 " "</p>
Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	None
Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	<p>The Company entered into an agreement dated February 16, 1967, with Draper Dobie & Company Limited, 25 Adelaide St. W., Toronto, Ontario, acting solely on behalf of its client referred to in item 7 providing for the purchase and optioning of shares of the Company as follows:</p> <p>300,000 shares to be firmly underwritten @ \$1.25 per share on effective date.</p> <p>Option on 150,000 shares @ \$1.50 per share within 3 months of the effective date.</p> <p>The effective date shall be the date on which this statement is accepted for filing by the Toronto Stock Exchange.</p>

Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	Draper Dobie & Company Limited, acting solely on behalf of its client, Compact Investments Limited, 62 Richmond St. W., Toronto. The only person having a greater than 5% interest in Compact Investments Limited is Martin D. Fremont, 321 Chaplin Crescent, Toronto, Ontario.
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	None
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	The Company has entered into a joint development agreement with Falconbridge Nickel Mines Limited to further explore and develop the Company's property at Noranda Quebec. Falconbridge has now expended the sum of \$500,000.00 on the property as contemplated in the agreement dated August 16, 1965, and as a consequence the property has now been transferred to a new Company known as "Delbridge Mines Limited." An extensive exploration program is planned for the year 1967 as follows: Underground development and diamond drilling at an estimated cost of \$350,000.00 Surface diamond drilling program of 10,000 feet at an estimated cost of \$60,000.00 The aforementioned programs could be expanded considerably should results warrant. D'Eldona's share of the foregoing cost estimate will be 49% or \$200,900.00.
10. Brief statement of company's chief development work during past year.	NONE, however, a magnetometer survey and an induced polarization survey followed by a surface diamond drilling program totalling 28,333 feet was completed on the Company's claims at Noranda, Quebec, followed by the construction of headframe and other buildings in preparation for an extensive underground program to further explore the ore body outlined by the surface drilling.
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	Not Applicable
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	Not Applicable
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	None
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	Not Applicable
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	Draper, Dobie & Company Limited, 25 Adelaide St. W., Toronto, Ont. 312,145 * E.H. Pooler & Co. Ltd. 302 Bay St., Toronto, Ont. 278,928 * Doherty Roadhouse & McCuaig Bros. 335 Bay St., Toronto, Ont. 222,510 * James Richardson & Sons 173 Portage Ave. E., Winnipeg, Man. 185,400 * Waite Reid & Co. Ltd. 200 Bay St. Toronto 131,800 * Beneficial owner of these shares is not known

FINANCIAL STATEMENTS

D'ELDONA GOLD MINES LIMITED
(Incorporated under the laws of the Province of Ontario)

BALANCE SHEET

AS AT DECEMBER 31, 1966

(Prepared from the books of account without audit)

ASSETS

Current assets

Cash
Short-term deposits
Province of Ontario bonds, at cost

Investments

Shares in other companies, at cost (market value \$40,900.00)
999,997 shares of Bazeldo Mines Limited, at cost

Fixed assets (Note 1)

Mining claims at \$241,921.00 attributed to 353,333 shares of the company's capital stock (as presently constituted) issued for the claims plus \$29,000.00 paid in cash
Equipment, at nominal value

Deferred expenditures and other assets

Exploration, development and administrative expenditures, per statement
Receivable from other mining companies (Note 2)
Incorporation and recapitalization expenses

LIABILITIES

Current liabilities

Balance due on purchase of investments

Capital and deficit

Capital stock

Authorized:

6,000,000 shares, par value \$1.00 each

Issued and fully paid:

5,255,666 shares
Less - discount thereon

Deficit

Balance April 30, 1966
Loss on sale of investments

\$ 23,223.41

\$5,255,666.00
2,986,650.00

\$1,003,866.35
1,771.75

1,005,638.10

1,263,377.90

\$1,286,701.31

Approved on behalf of the
Board of Directors:

[Signature] (Director)

[Signature] (Director)

The accompanying notes are an integral part of the financial statements.

D'ELDONA GOLD MINES LIMITED
NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1966

Note 1 - Agreement with Falconbridge Nickel Mines Limited
re Rouyn Township claims

By agreement dated August 26, 1965, the company granted an option to Falconbridge Nickel Mines Limited to explore the company's claims in Rouyn Township, Quebec, over five periods of six months duration each. During the first period Falconbridge undertook to spend \$25,000.00 on exploration work. Within thirty days after this period, and all subsequent periods, Falconbridge is to give notice of its intentions to continue exploration work, and if work is to continue Falconbridge undertakes to spend the following sums:

- (a) \$ 50,000.00 during the second period,
- (b) 100,000.00 during the third period,
- (c) 100,000.00 during the fourth period,
- (d) 225,000.00 during the fifth period.

To September 30, 1966, Falconbridge has expended approximately \$300,000.00 on the said claims.

After expending a total of \$500,000.00 Falconbridge may cause a company to be formed having an authorized capital of 5,000,000 shares of \$1.00 par value each, of which 750,000 shares are to be issued. D'Eldona is to receive 49% of the said issued capital (367,500 shares), and Falconbridge is to receive 51% (382,500 shares). All the mining claims are to be transferred to the new company, and future exploration and development costs are then to be shared pro rata by both D'Eldona and Falconbridge to the extent of the interests held by each.

Note 2 - Receivable from other mining companies

These mining companies are not in a position at the present time to repay the \$6,891.94. Collectibility is dependent upon the success attained by them in the development of their mining properties or upon future financing.

D'ELDONA GOLD MINES LIMITED

DEFERRED EXPLORATION, DEVELOPMENT AND ADMINISTRATIVE EXPENDITURES

FOR THE EIGHT MONTHS ENDED DECEMBER 31, 1966
(Prepared from the books of account without audit)

<u>Balance April 30, 1966</u>			\$788,696.80
<u>Additions during period</u>			
Exploration expenditures:			
Engineering fees, reports and expenses	\$ 4,759.41		
Government fees and licenses	<u>824.44</u>	\$ 5,583.85	
Administrative expenditures:			
Secretarial and accounting services	\$ 4,850.00		
Transfer agent's fees and expenses	1,654.51		
Legal and audit fees	325.00		
Shareholders' information and publicity	448.13		
Directors' fees	1,725.00		
*Officer's remuneration	3,333.36		
Shareholders' meeting expenses	2,027.09		
Interest	663.10		
Travelling expenses	312.50		
Miscellaneous expenses	<u>338.66</u>		
	\$15,677.35		
Less - interest and dividends received	<u>2,848.38</u>	<u>12,828.97</u>	<u>18,412.82</u>
<u>Balance December 31, 1966</u>			<u>\$807,109.62</u>

*Paid to Company's President.

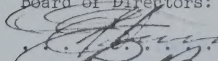
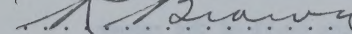
D'ELDONA GOLD MINES LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

FOR THE EIGHT MONTHS ENDED DECEMBER 31, 1966
(Prepared from the books of account without audit)

<u>Source of funds</u>			
Proceeds from sale of investments			\$ 7,497.25
<u>Application of funds</u>			
Exploration and administrative expenditures		\$ 18,412.82	
Purchase of investments		23,522.50	
Miscellaneous advances		676.52	42,611.85
<u>Decrease in working capital</u>			<u>\$35,114.60</u>
<u>Working capital changes</u>	April 30, 1966	December 31, 1966	Increase (Decrease) in Working Capital
<u>Current assets</u>			
Cash	\$ 57,973.71	\$ 61,514.99	\$ 3,541.28
Short-term deposits	100,000.00	75,000.00	(25,000.00)
Province of Ontario bonds	5,065.00	5,065.00	-
Accrued interest	2,202.45	-	(2,202.45)
	<u>\$165,241.16</u>	<u>\$141,579.99</u>	<u>(\$23,661.17)</u>
<u>Current liabilities</u>			
Accounts payable	\$ 2,949.78	\$ -	\$ 2,949.78
Balance due on purchase of investments	8,920.20	23,323.41	(14,403.21)
	<u>\$ 11,869.98</u>	<u>\$ 23,323.41</u>	<u>(\$11,453.43)</u>
<u>Working capital</u>	<u>\$153,371.18</u>	<u>\$118,256.58</u>	<u>(\$35,114.60)</u>

Approved on behalf of the
Board of Directors:

 (Director)
 (Director)

D'Eldona Gold Mines Limited
NO PERSONAL LIABILITY

SUITE 714 • 62 RICHMOND STREET WEST, TORONTO 1, CANADA • TELEPHONE EM. 6-2886

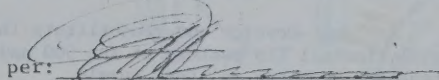
February 24, 1967.

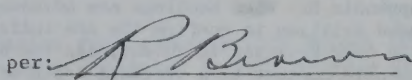
The Toronto Stock Exchange,
234 Bay Street,
TORONTO, Ontario.

Dear Sirs:

We hereby certify that there has been no material change in the items on the balance sheet filed herewith since the date thereof, excepting note 1 can be amended to the extent that as of this date Falconbridge Nickel Mines Limited has expended \$500,000.00 as set out in the agreement of August 26, 1965 and a new company has now been formed under the name of Delbridge Mines Limited to which the mining claims held by D'Eldona Gold Mines Limited as set out in the financial statements have now been transferred.

D'ELDONA GOLD MINES LIMITED

per: 
E. F. Furniss, President.

per: 
R. Brown, Vice-President.

EFF/sl

UNDERGROUND DEVELOPMENT PROPOSAL - D'ELDONA OPTIONHISTORY

Former operators sank a three-compartment shaft to 1,490 feet, establishing levels at 375 feet, 500 feet, 700 feet, 850 feet, 1,000 feet, 1,150 feet, 1,300 feet, and 1,450 feet.

A limited amount of development work was carried out in the vicinity of the shaft. Between November, 1950, and August, 1952, 86,000 tons averaging 7.7% zinc, 0.17 ounces per ton of gold and 2 plus ounces per ton silver were mined on contract by Harrison Drilling and Exploration Company Ltd. Metallurgical records are rather confusing, but it would appear that milling recoveries for zinc and gold were approximately 68% and 76% respectively. A minor amount of copper was recovered but was found to be uneconomical and recovery of copper was abandoned.

GEOLOGY

See "Summary Report D'Eldona Option" by Julian Boldy (Appendix A).

PROBABLE ORE

Reference J. Boldy report (Appendix A).

METALLURGY

From preliminary flotation tests carried out at Lakefield, it appears feasible to make two concentrates:

- 1) A zinc concentrate containing 85% of the zinc.
- 2) A copper concentrate containing 62.5% of the copper, 68.7% of the silver and 56.9% of the gold.

POWER SUPPLY

Hydro electric power is available from a Quebec Hydro line crossing the property approximately 700 feet from the proposed plant site. An informal approach to Hydro has confirmed that a contract could be arranged on the following basis:

- Power available at 25 K.V., 60 cycle, 3 phase.
- No installation charge by Quebec Hydro.
- Rate \$54.00 per kilowatt per year.
- 75% utility factor.
- 8.2 mills per kilowatt hour for usage over 75%.
- Power factor 90%.
- Drawback clause similar to Lake Dufault contract. Minimum billing 75% of previous 4-month average.
- Length of contract to be agreed on.

D'Eldona would be responsible for the 700 ft. line from the 25 K. V. source to the plant substation.

RECOMMENDATIONS

The following work, is recommended:

a) Erect a minimal surface plant consisting of a headframe, bins, utility building (housing hoist, compressors, shop, etc.), substation, pumphouse, explosive storage and minor storage shacks. The cost estimates for surface plant are based on purchasing mainly used equipment.

b) Dewater and rehabilitate the existing shaft to 850 ft. level, install lip pockets at the 500 and 850 ft. levels, rehabilitate necessary workings on these levels.

c) Drive the 500 ft. and 850 ft. levels concurrently as shown in Appendix B. When headings are advanced sufficiently, start the diamond drilling to confirm the ore indicated by surface drilling, followed by the deep drilling to investigate the downward extension of the favourable contact to a vertical depth of 1,500 feet below surface. For confirmatory and exploration drilling layouts, see Appendix B.

As soon as sufficient exploration drilling has been carried out to prove or disprove the existence of further ore to 1,500 feet, a decision can be made to (1) mine the indicated ore through the existing shaft, or (2) plan new facilities.

General

To minimize administrative and overhead costs, it is recommended that this project be carried out under the direction of the Lake Dufault staff.

It is the writer's understanding that the Noranda office of the Falconbridge Exploration Division would be able to supply geological guidance.

TIME TABLE

	<u>Months</u>	<u>Cumulative</u>
Assemble Equipment and Erect Plant	6	
Dewatering, Shaft Rehabilitation, Instal Lip Pockets	2	8
Development and Exploration Drifting and Diamond Drilling	7	15
Completion of Deep Drilling	2	17

SUMMARY

CAPITAL & DEVELOPMENT COSTS

Capital	\$ 312,500
Shaft Dewatering and Rehabilitation	46,900
Development and Exploration, 500 Ft. and 850 Ft. Levels	<u>315,500</u>
	\$ 674,900

ACKNOWLEDGEMENTS

The author gratefully acknowledges the contributions made by the following:

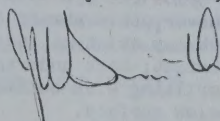
Dr. W. G. Robinson and Mr. J. Boldy, Falconbridge
Exploration, for data and geological advice.

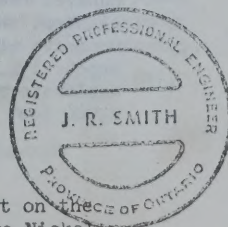
Lakefield Research, for metallurgical testing.

Mr. J. M. Mortimer, for metallurgical advice.

Mr. W. R. Wright, Mr. W. D. Diment and Mr. A. R. Simons, of
Lake Dufault staff, for assistance in the preparation of
data and plans.

Respectfully submitted,


J. R. Smith



The above report is extracted from a Feasibility Report on the
D'Eldona Option by J. R. Smith submitted to Falconbridge Nickel
Mines Limited and dated May, 1966.

SUMMARY REPORT - D'ELDONA OPTIONGeneral

The D'Eldona property, located in the north-east section of Rouyn Township, two miles from the City of Noranda, was optioned by Falconbridge on the 10th of September, 1965. Exploration, consisting of geological and geophysical surveys, was undertaken and a drilling program was initiated on the 13th of November, 1965.

Hole F-2, located 1,200 feet south of the old shaft, cut a high grade zinc-silver-gold massive sulphide zone on the 28th of November, and by the end of April, 1966, over 28,000 feet of diamond drilling had been completed around the new No. 2 deposit.

Geology

Geologically the D'Eldona orebodies are not unlike other massive sulphide deposits in the Noranda camp. These pyritic deposits contain a variable amount of copper and zinc in conjunction with a variable amount of gold and silver. The high precious metal content of D'Eldona's zinc ore is perhaps its most distinguishing feature.

The D'Eldona massive sulphide deposits are strata-bound and are associated with a specific phase of rhyolitic vulcanism. The "favourable" contact may be regarded as a planar element - the locus of massive sulphide ore-clusters, which are essentially concordant with the enclosing volcanics. The lower limits of sulphide mineralization consist of an irregular zone of disseminated sulphides associated with a chloritic alteration pipe, the apex of which terminates below the massive sulphide body. Subsequent deformation will account for the present day attitude of the deposit from the horizontal.

Drilling

Continental Diamond Drilling of Rouyn have completed over 28,000 feet of AX drilling at an average cost of \$3.15 per foot. A total of 29 holes have been completed, defining the No. 2 deposit.

Due to the prominent north-east trending schistosity, all the steeply inclined, westerly directed angle holes tended to wander northwards and flatten appreciably, so that surface drilling is not practical in this area beyond a vertical depth of 850 feet.

Costs

Inclusive of geological and geophysical surveys, diamond drilling and overheads, a sum of approximately \$120,000 has been spent to date on the property.

Probable Ore Zone

Reference to the longitudinal section will illustrate the zone of probable ore defined by surface drilling. It is assumed that there is some continuity between the holes.

Future Exploration

A "favourable" contact exists on the D'Eldona property. It is now the host of two separate ore-clusters discovered almost twenty years apart and occurring within 1,200 feet of each other. There is no reason to believe that others may not be discovered in time.

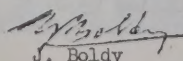
Surface

Further drilling is warranted investigating the rhyolite contact to a depth of 700 feet, probably using a 400-foot grid pattern. This will in no way interfere with definition drilling of the existing ore-body. It must also be remembered that other portions of the property may be of interest at a later date.

Underground

The depth picture below the No. 2 deposit appears favourable. However, it is possible that ore mineralization may terminate a few hundred feet below the 850 level, thus delimiting this specific ore-cluster. However, this should in no way preclude the search for other deposits which may exist as independent clusters on this proven and productive contact; best undertaken by a program of underground exploratory drilling with sufficient coverage to a depth approaching 2,000 feet below surface.

April, 1966.


J. Boldy

16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	None, However, on solicitation of proxies present management has been able to secure sufficient support to place it in a position to materially affect control of the Company.		
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.		<u>Cost</u>	<u>Market</u>
	200 Falconbridge	21,687.50	18,500.00
	15,000 Silver Miller	5,512.50	1,875.00
	100 C.P.R. (purchased Aug. 1966) *	6,027.50	6,312.50
	100 International Nickel (purchased Aug. 1966) *	9,287.50	9,587.50
	300 Massey Ferguson (100 shares purchased July 1966) *	8,207.50	7,987.50
	(200 shares purchased Oct. 1966) *		
	999,997 Bazeldo Mines Ltd.	2,050.00	nil
	367,500 Delbridge Mines Ltd.	951,000.00	nil
	* - Purchased on open market		
18. Brief statement of any lawsuits pending or in process against company or its properties.	None		
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	Joint operating agreement dated February 14, 1967 between the Company and Falconbridge Nickel Mines Limited wherein the two companies agree to further explore and develop the Rouyn Twp. property of Delbridge Mines Limited up to the point of production. Costs will be shared 49% by D'Eldona and 51% by Falconbridge. If property brought to production said production will be under the management of the new company Delbridge Mines Limited and the aforementioned operating agreement will cease.		
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	There are no other material facts. Shares of the Company are not in the course of primary distribution to the public; however should any of the shares be issued as set out in item 6 the said shares would be in the course of primary distribution.		

DATED February 20, 1967.

CERTIFICATE OF THE COMPANY

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.) D'ELDONA GOLD MINES LIMITED

"E.F. Furniss"

per: 

CORPORATE

SEAL
PRESIDENT

"R. Brown"

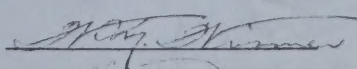
per: 

VICE-PRESIDENT

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

DRAPER DOBIE & COMPANY LTD.

"W.M. Wismer" 

"D.J. Coulter" 